

STATEMENT OF LOUIS T. MARCH, PRESIDENT, REPRESENTATIVE GOVERNMENT EDUCATION FOUNDATION, INC.

The Representative Government Education Foundation is a North Carolina based foundation dedicated to educating citizens about our American system of representative government and the vital role of citizen participation therein. An important part of our work is citizen surveys on various issues of importance.

There is an uneasy feeling on the part of many Americans that we no longer have truly representative government in our country, that government of the people, by the people and for the people has become government of the people, by big government for special interests. Many feel that the wishes of the majority have been lost in the shuffle of big government regulation, special interest favoritism and partisan political wrangling.

A recent survey conducted by the Foundation shows overwhelming support for a flat rate income tax (hereinafter Flat Tax). Reasons most often cited in favor of a Flat Tax are related as much to problems with the current tax system as they are to the merits of a Flat Tax itself. In our survey follow up the five most cited reasons for desiring a Flat Tax were:

1. The simplicity of a Flat Tax. The current tax code is much too complex, and defies comprehension on the part of the average taxpayer. With over 9,400 pages of tax law, the vast majority (seventy percent in one study cited) of returns filed by professional preparers are from citizens and households earning less than \$50,000. The average American feels a sense of alienation when he cannot easily understand such a basic law of the land. The myriad complexities of the current tax code certainly take their toll in human frustration and personal and business time which could otherwise be utilized for more productive pursuits. The sheer simplicity of a Flat Tax is perhaps the source of its greatest appeal.

2. A Flat Tax would mean tax relief for the American family. The current tax system imposes a tremendous burden on the American family. A generation ago one wage earner could comfortably support the average family of four—no longer. Now two incomes (or more) are required to do so, and the costs of day care, time away from children and the economic stress on family home life are taking their toll. It has often been said that as goes the family, so goes the country. A new family friendly tax system should be devised. Congressman Armey has previously cited that the typical middle income family of four pays approximately 24 percent of its income, up from two percent in 1948, and that the average American family pays more in all taxes than it does for food, clothing and shelter combined. This is wrong, and effectively constitutes a form of economic warfare on the American family. Strengthening the American family is much more important than any Federal government program. And one sure way to help the American family is to simply allow them to keep more of the money they earn. A Flat Tax with generous exemptions for dependents would be fair to the family; the current tax system is not. The American family is in dire need of tax relief, and a Flat Tax is viewed as a means of restoring a measure of fairness to the tax system.

3. A Flat Tax would be less of an economic burden not only on the individual taxpayer but would realize significant cost savings within the government as well. The current tax system is too costly. Respondents overwhelmingly concurred with the sentiment that marginal tax rates are much too high.

Also, the current tax system requires approximately 115,000 employees of the Internal Revenue Service alone to administer and enforce it, with an annual budget of \$8 billion. Congressman Armey has cited a \$232 billion annual cost of compliance with the existing tax code. This has spawned an entire industry of tax code interpreters, tax preparers, accountants and attorneys to keep track of it all. The uniformity of rates, and the overall simplicity of the various Flat Tax proposals as seen as much more efficient system, saving money for taxpayers and for the government as well.

4. A Flat Tax would be beneficial to economic expansion. The current tax system stymies economic growth. The sentiment "what we tax we get less of, what we subsidize we get more of" certainly applies to the current system. Taxing savings, investment and productivity while subsidizing a whole array of proliferating social welfare programs is a major point of contention. There is a widespread feeling that our country's economic growth is held back by the massive outflow of hard earned tax dollars for the support of an inefficient, debt ridden and intrusive Federal government—a government perceived as not representing the best interests of the middle American taxpayer.

5. A Flat Tax would serve to restore public confidence and trust in our government. The current tax system has severely eroded public confidence in and trust of our Federal government and has over time incurred the resentment of a significant percentage of the citizenry. A large number of hard working law abiding Americans have come to live in fear of the Internal Revenue Service. There is a perception that those federal officials entrusted to be servants of the people are acting as their masters. Many Americans are simply fed up and feel that they have no say in this matter. They feel that the current tax system, apart from being too costly, complicated and inefficient, is grossly unfair, favoring moneyed special interests and partisan political concerns over the average American.

"No taxation without representation" was the rallying cry in the American Revolution. Many Americans feel that today we have excessive taxation without representation. This does not bode well for public confidence in our government. Tax relief would do a great deal to restore public confidence in government and in our elected officials. A Flat Tax is viewed by many as a step in the right direction. The American people want Congress to put the concerns of the law abiding, hard working taxpayer first. There is a widespread public sentiment that this has not been the case for a long time.

On behalf of the Representative Government Education Foundation, I thank you for your consideration of these matters.

LET'S NOT TURN OUR BACKS ON ARMENIA

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. BONIOR. Mr. Speaker, the commitment we have made to Armenia has helped to build democracy in that nation.

Now is not the time to be making extreme cuts in our assistance to the Armenian people.

The cuts proposed in the American Overseas Interests Act, H.R. 1561, would be devastating.

If this bill becomes law, United States aid to Armenia will be cut by at least one-third.

The Armenians are resilient people.

They are continuing to rebuild after a devastating earthquake.

They have outlasted the Ottoman Empire and the Soviet Union, and they continue to fight for freedom in Nagorno Karabagh.

Now is not the time to turn our backs on the Armenians.

But that is what this bill does.

This bill cuts aid to Armenia and other New Independent States by nearly \$100 million next year.

Instead of rewarding and encouraging the development of democracy, it sends the wrong signal to the Armenian people.

Mr. Speaker, the bill isn't all bad news for Armenia.

The humanitarian aid corridor provision we have fought so hard for is included in the bill.

The provision cuts off aid to countries, such as Turkey, which are blocking American humanitarian assistance.

This is an important step, and one that I believe is long overdue.

Mr. Speaker, our commitment to Armenia is a very modest one.

It is a fraction of our foreign aid budget, and our foreign aid budget amounts to less than 2 percent of our Federal budget.

Mr. Speaker, I am voting against this bill because I believe we can do better, and we must do better to build democracy around the world.

CONGRATULATIONS JOE GLASSFORD

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay special tribute to Mr. Joe Glassford. This week Joe will retire from his 22 years of dedicated service as the director of special education for the Wabash and Ohio Valley Special Education District. Throughout his professional educational career Joe has earned the respect and admiration of all that have had the honor of working with him. His tireless efforts to improve education have positively influenced the lives of fellow teachers, parents, administrators, and most importantly, the children he has dedicated his life to helping.

During my time as an educator, I had the pleasure of meeting and working with this fine man. His tireless efforts in support of quality educational programs for children with disabilities distinguishes him as a truly exceptional educator.

Joe understands children with disabilities have the right to a first-rate education, and because of this, Joe has helped bring the torch of education to a special place. His unwavering dedication to the pursuit of knowledge has helped light the world for children throughout southeastern Illinois.

Mr. Speaker, Joe Glassford is a special and outstanding human being. He has served as the Illinois State Director of Special Education, and has been instrumental in the establishment and improvement of numerous programs that are designed to help our children receive a better education. I want to take this opportunity to urge my colleagues to join with me in congratulating this fine man for all his successes. I wish Joe, along with his family, all

my best as he enters retirement, and begins this new educational journey.

INTRODUCTION OF THE EQUITABLE HEALTH CARE FOR NEUROBIOLOGICAL DISORDERS ACT OF 1995

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Ms. DELAURO. Mr. Speaker, I rise today to introduce the Equitable Health Care for Neurological Disorders Act of 1995. I want to thank my colleagues, Representatives MCHALE, WARD, and GEJDENSON, for joining me as original cosponsors.

I am proud once again to introduce this important measure that would make such a dramatic difference in the lives of people afflicted with neurobiological disorders. This year, I am especially honored to be reintroducing the bill in memory of my dear friend, Enid Peschel. Enid was a pioneer in the emerging study of neurobiological disorders and the inspiration behind my decision to introduce this bill. It is my hope that her dream of seeing this legislation become law will be realized in this session of Congress.

As an active participant in the fight for health care reform, I continue to believe that health care reform is a goal that we must continue to work toward. All Americans should have the security of knowing that they will have health care coverage—regardless of their health or economic status.

Perhaps no group of individuals has faced more discrimination by our Nation's health care system than those with severe mental illnesses. In the past 15 years, a revolution has occurred in neurobiology that has clearly documented that many of these severe mental illnesses are, in fact, physical illnesses. These physical disorders of the brain—neurobiological disorders—are characterized by neuroanatomical and neurochemical abnormalities. Controlled clinical research undertaken by scientists across the Nation have produced a body of irrefutable scientific evidence documenting the physical nature of these disorders.

Despite this, individuals with neurobiological disorders and their families continue to face discrimination and stigmatization by health insurance plans and society at large. I have visited with families who have had to cope not only with the emotional pain of dealing with neurobiological disorders, such as schizophrenia and autism, but the financial hardship as well.

Health insurance coverage for mental disorders is often limited to 30 to 60 inpatient days per year, compared with 120 days for physical illnesses; copayments, which are usually about 20 percent for physical illnesses, are often raised to 50 percent. Because of these arbitrary limits on coverage, individuals and families affected by these disorders are faced with onerous financial burdens. These people deserve the same kind of care and treatment that is available to those who suffer from other severe illnesses such as cancer, diabetes, or heart disease.

Families who are faced with severe mental illnesses should not be placed in a different

category—financially burdened, stigmatized, and treated as if they had done something wrong.

My bill would help these individuals and their families by requiring nondiscriminatory treatment of neurobiological disorders. Health care plans would be required to provide coverage that is not more restrictive than coverage provided for other major physical illnesses and that is consistent with effective and common methods of controlling health care costs—such as copayments and deductibles. My bill also stipulates specific benefits that must be provided and assesses a penalty on those plans that do not comply with the act's requirements.

Requiring equal health coverage of these disorders is not just important to individuals suffering from neurobiological disorders and their families. It is also important to the Nation. According to the National Institutes of Mental Health, equitable insurance coverage for severe mental disorders will yield \$2.2 billion in net savings each year through decreased use of general medical services and a substantial decrease in social costs.

I urge my colleagues to join me in supporting passage of this important legislation. Adoption of this policy would go a long way toward saving billions of dollars in wasteful spending, eliminating the stigmatism and misunderstanding so often associated with neurobiological disorders, and most importantly, ensuring that all those suffering from these devastating illnesses are adequately cared for.

CONSERVATION RESERVE PROGRAM

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. MINGE. Mr. Speaker, actions of public officials are always scrutinized for conflicts of interest and self-benefit—and they should be. As public officials, we are trustees of the people we represent in the Nation. We should not benefit from the programs upon which we deliberate unless we do so on the same basis as the rest of the population, or unless the benefit is fully disclosed and subject to review. The goal is not just to avoid impropriety but also the appearance of impropriety. If we do not observe these principles, it undermines our role in this democratic institution.

In 1991, before I even considered becoming a candidate for the U.S. Congress, my wife and I purchased 106 acres of land adjoining the farm building site where we live. These 106 acres were once the fields and pastures, which together with our home site, comprised a single farm. Approximately 55 acres of our purchased land had been enrolled in Conservation Reserve Program [CRP] by the seller. As a part of the sale, we made an agreement with the seller to abide by the CRP contract. However, our contract and the current CRP program will expire in 1996.

The U.S. Congress is now considering the renewal of CRP. Since I sit on the House Agriculture Committee and the subcommittees which have jurisdiction over this legislation, my wife and I have applied to withdraw all our land from CRP effective September 30, 1995.

We expect that this will be approved except for a 2.7 acre tract on which the prior owner planted trees. This is a wind break/wildlife habitat and will stay in CRP for 1 more year. We have developed a conservation plan for the highly erodible land that has been in CRP.

I hope this will clearly avoid any appearance of any self-interest in my work as a Member of Congress, on the Agriculture Committee, in promoting the continuation of CRP. I feel this is an important program and deserves disinterested analysis and review by Congress. I look forward to being a part of that process.

I appreciate the benefits of CRP for highly erodible land in this country. We must minimize top soil loss, protect ground water, and continue to reduce the fertilizer and chemical runoff to our lakes and streams. When this can be done in such a way that we provide wildlife habitat, and advance the farm program, it is a win-win situation. With such a tight budget this will be a challenge.

A REALISTIC LOOK AT CRIME FIGHTING FROM THE NEW BEDFORD STANDARD TIMES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. FRANK of Massachusetts. Mr. Speaker, the city of New Bedford is an ethnically diverse, older industrial city, which is also one of the major fishing ports in the country. Thus, it has had its share of experience with all of the problems that affect modern America. And this has given the New Bedford Standard Times, the newspaper of New Bedford, a very good perspective on versions of these problems, including that of urban crime. It is for this reason that the very thoughtful and cogent editorial which ran in the Standard Times on May 25 seems to me worth sharing here. Too often today, in American journalism, bad news is all that gets attention. And the antidote to this is not factitious and unfounded optimism, but a willingness to look at encouraging trends in a thoughtful way, and to see what we can do to promote these trends.

The editorial in the Standards Times which I ask to be printed here does exactly that. The Standard Times quotes New Bedford Police Chief Richard Benoit in strong support of community policing. It points out that "grassroots policing and community building activities that prevent crime from occurring in the first place, are an essential part of an overall anticrime strategy."

No one can accuse the Standard Times of being soft on crime, or unaware of the need for strong law enforcement measures. The balance and thoughtful appraisal it gives of recent crime fighting efforts is all the more valuable for that reason. I ask that the editorial be printed here.

[From the New Bedford Standard Times,
May 25, 1995]

SUNNIER CRIME STATISTICS POINT THE DIRECTION FOR THE FUTURE

Life in the community got a lot better in New Bedford in 1994, judging by the crime statistics just released for the state. This city was one of a handful to experience a sharp drop in serious crime—a full 27 percent. Other towns and cities did even better;